

## Additional update made for physician reimbursement adjustment policies

The Indiana Health Coverage Programs (IHCP) previously announced updates to reimbursement adjustments for certain nonphysician practitioners, effective **April 1, 2024** (*IHCP Bulletins* [BT202426](#) and [BT2024159](#)), as well as changes to behavioral health modifiers for services billed under a supervising practitioner’s National Provider Identifier (NPI), effective **Jan. 1, 2025** (*IHCP Bulletin* [BT2024202](#)). As clarified in [BT202635](#), these practitioner reimbursement adjustments and modifier requirements **do not apply** to Medicaid Rehabilitation Option (MRO) services.



This bulletin announces claim adjustments related to these previously announced changes, as well as the following update to the billing guidance in [BT2024202](#). Effective immediately, and retroactive for dates of service (DOS) on or after **Jan. 1, 2025**, modifier **AH** must be used when services rendered by a licensed psychologist or licensed independent school psychologist are billed under a supervising practitioner’s NPI. This new update, as well as previously announced changes for behavioral health practitioner modifiers and reimbursement rates, are presented in Table 1. This information applies to both fee-for-service (FFS) and managed care claims.

*Table 1 – Reimbursement adjustments and modifier requirements for behavioral health practitioner services*

Rendering practitioner specialty	Modifier required if billed under supervising practitioner’s NPI	Reimbursement adjustment policy
Advanced practice registered nurse (APRN) – except for certified registered nurse anesthetist (CRNA)	No modifier when billing under their own NPI	85%
	HE SA (For behavioral health services; for all other services, just SA)	85%
Physician assistant	Not applicable; cannot bill under a supervising NPI	85%
Licensed psychologist (including licensed independent school psychologist)	AH	100%
Licensed clinical social worker (LCSW)	HE	75%
Licensed marriage and family therapist (LMFT)	HE	75%

*Table 1 – Reimbursement adjustments and modifier requirements for behavioral health practitioner services*

Rendering practitioner specialty	Modifier required if billed under supervising practitioner's NPI	Reimbursement adjustment policy
Licensed mental health counselor (LMHC)	HE	75%
Licensed clinical addiction counselor (LCAC)	HE	75%
Behavioral health intern	HL	50%

**Claim adjustments**

The IHCP has identified some FFS claims that may have inappropriately paid and will need to be adjusted to reimburse at the correct rate for the rendering behavioral health practitioner. MRO reimbursement for these practitioner specialties may have also been impacted.

*Note: As a reminder, MRO services do not require additional modifiers that identify the provider that renders the service. MRO services are paid at 100% of the rate regardless of the rendering provider.*

Providers can expect to see adjustments to affected FFS claims after the system changes have been completed in the Core Medicaid Management Information System (CoreMMIS). System updates will impact claim processing beginning **April 1, 2026**, with the exception of behavioral health intern claims, which will be impacted beginning May 6, 2026. Additional publications will be issued regarding FFS claim adjustments.

**For more information**

If you have questions, please let us know by emailing [FSSA.IHCPReimbursement@fssa.in.gov](mailto:FSSA.IHCPReimbursement@fssa.in.gov).

**QUESTIONS**

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